



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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September 20, 1996

TO: Minerals File

FROM: Tony Gallegos, Reclamation Engineer *adg*

RE: Meeting Documentation, Kennecott Utah Copper Corp.(KUCC), Bingham Canyon Mine, M/035/002, Salt Lake County, Utah

Date of Meeting: September 19, 1996
Time of Meeting: 1430 - 1630
Location: DNR-DOGM Conference Room
Participants: Elaine Dorward-King, Jon Cherry, Lydia Salmon, KUCC; Mary Ann Wright, Wayne Hedberg, Tony Gallegos, Tom Munson, and Lynn Kunzler, DOGM

Purpose of Meeting: To discuss issues regarding the recently submitted Dry Fork Amendment

The meeting began with KUCC presenting an autocad map of the Bingham Permit Area to facilitate discussion on the various mine features. KUCC will be presenting the Division with a series of updated maps based on recent aerial photography and the digitized information. These maps will show various portions of the Bingham Canyon Mine in much greater detail than the maps currently on file. KUCC anticipates updating these maps annually and providing a version of the map(s) with the annual report. This map series will address one of the Division's deficiency comments regarding the Dry Fork Amendment.

The next topic of discussion revolved around clarification of the second paragraph in the Division's July 23, 1996, response letter. Specifically, clarification of when changes within the KUCC existing permit boundary require Division notification and when these changes require Division approval prior to implementation. This issue has the sub-categories of: (a) modifications within an existing disturbed area and permitted area; (b) modifications outside of an existing disturbed area but within the permit area; and (c) modifications outside of an existing disturbed area and outside of the existing permit area.

Wayne described the uniqueness of the KUCC Bingham Canyon permit and how this unique permit complicates the above issues. Specifically, the original KUCC permit contains very general and broad descriptions of the proposed mining and reclamation plan. The mine plan includes a disturbed acreage figure for the categories of: mine, mine waste disposal, excess mine water disposal, ore transfer-mine to process, ore processing facilities, tailings disposal, and excess process water disposal. In addition, the KUCC permit has a unique self-bonding reclamation agreement



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which does not include a projected estimate of the total amount of surety required to perform reclamation of the mine, but instead includes a minimum amount of annual expenditures for reclamation and reclamation related research. After touching on the key points of the original permit, it was decided that another meeting to specifically discuss interpretation and intent of the original approved permit would be more productive than trying to resolve the issues at this time. A date for that meeting would be decided upon after an in-depth site inspection tentatively scheduled for October 17, 1996.

The next topic of discussion was related to determining whether a mining structure/facility has a viable post mine land use. This issue was related to the features of the Dry Fork Amendment which are proposed to remain as part of KUCC's long term water management facility. The Division's letter of July 23, 1996, mentioned that the Utah Mined Land Reclamation Act did not contemplate the continued post mine land use of facilities that will require monitoring and maintenance by the mine operator for an indefinite time period. Kennecott personnel questioned/challenged this position and Wayne tried to clarify the Division's decision in this regard. Wayne explained that Kennecott had not provided sufficient detailed information to justify the need and continued long-term (albeit indefinite) use of the water management facilities. He also stated that we had no assurances (monetary or otherwise) that demonstrated Kennecott's ability to continue to maintain these facilities over an indefinite period of time. Elaine and Jon asked us if Kennecott could demonstrate that the water management facilities were not associated with, directly related to, or used as part of the continued mining operations, would the Division even need to be involved in permitting same. We responded that this might be possible, but that we would reserve judgement based upon the site specific circumstances and the arguments provided under a formal application.

The next topic of discussion was the possibility of breaking up the Dry Fork Amendment into pieces to accommodate KUCC's construction schedule and satisfy the Division's permitting concerns. Specifically, KUCC would like to begin construction on the access road and power line before winter prohibits further construction. It was suggested that KUCC submit a modification to the amendment specifying which facilities/features they actually need to begin this year and then post a surety for reclamation of these particular facilities. KUCC could agree to post the surety, but reserve the right to appeal the Division's decision to require a surety for the amendment at a later date.

In addition to these issues, KUCC described some future projects which are not necessarily related to the Dry Fork Amendment. These projects include: (1) expansion of the Code 55 Dump by placing waste material directly into Bingham Canyon (Proper) where the main visitor center access road comes in; (2) relocating the main access road prior to the Code 55 Dump expansion and improving this road to the degree that it would remain post mine; and (3) the possible expansion of the SX/EW pilot plant to full scale facility located on the mine dumps. The meeting adjourned with the understanding that KUCC would get back to us confirming the October 17th inspection date.

jb
cc: Elaine Dorward-King, KUCC
Mary Ann Wright, DOGM
Minerals staff (route)
dryfork.mem